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AN ACT
RELATING TO PUBLIC FINANCE; ADDING SCHOOL-BASED HEALTH
CENTERS AND TELEHEALTH SITES AS ELIGIBLE ENTITIES PURSUANT TO
THE PRIMARY CARE CAPITAL FUNDING ACT; PROVIDING LOAN
ELIGIBILITY REQUIREMENTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 24-1C-3 NMSA 1978 (being Laws 1994,
Chapter 62, Section 9, as amended) is amended to read:

"24-1C-3. DEFINITIONS.--As used in the Primary Care
Capital Funding Act:

A. "authority" means the New Mexico finance
authority;

B. "capital project" means repair, renovation or
construction of a facility; purchase of land; acquisition of
capital equipment of a long-term nature; or acquisition of
capital equipment to be used in the delivery of primary care,
telehealth or hospice services;

C. "department" means the department of health;

D. "eligible entity" means:

(1) a community-based nonprofit primary care
clinic or hospice that operates in a rural or other health
care underserved area of the state, is a 501(c)(3) nonprofit
corporation for federal income tax purposes and is eligible
for funding pursuant to the Rural Primary Health Care Act;

1 (2) a school-based health center that
2 operates in a public school district and that meets
3 department requirements or that is funded by the federal
4 department of health and human services; or

5 (3) a telehealth site that is operated by an
6 eligible entity pursuant to Paragraphs (1) and (2) of this
7 subsection;

8 E. "fund" means the primary care capital fund; and

9 F. "primary care" means the first level of basic
10 or general health care for an individual's health needs,
11 including diagnostic and treatment services and including
12 services delivered at a primary care clinic, telehealth site
13 or a school-based health center; "primary care" includes the
14 provision of mental health services if those services are
15 integrated into the eligible entity's service array."

16 Section 2. Section 24-1C-4 NMSA 1978 (being Laws 1994,
17 Chapter 62, Section 10) is amended to read:

18 "24-1C-4. PRIMARY CARE CAPITAL FUND--CREATION.--

19 A. The "primary care capital fund" is created as a
20 revolving fund in the state treasury. The fund shall consist
21 of appropriations, loan repayments, gifts, grants, donations
22 and interest earned on investment of the fund. A separate
23 account shall be maintained for appropriations, loan
24 repayments, gifts, grants, donations and interest earned on
25 investment of the account for loans to school-based health

1 centers and telehealth sites. Money in the fund shall not
2 revert at the end of a fiscal year.

3 B. The fund shall be administered by the
4 authority. Administrative costs of the authority or
5 department shall not be paid from the fund. Money in the
6 fund shall be expended only on warrants drawn by the
7 secretary of finance and administration pursuant to vouchers
8 signed by the director of the authority or his authorized
9 representative."

10 Section 3. Section 24-1C-6 NMSA 1978 (being Laws 1994,
11 Chapter 62, Section 12, as amended) is amended to read:

12 "24-1C-6. DEPARTMENT--AUTHORITY--POWERS AND DUTIES.--

13 A. The department and the authority shall
14 administer the loan programs and contracts for services
15 established pursuant to the provisions of the Primary Care
16 Capital Funding Act. The department and authority shall:

17 (1) enter into joint powers agreements with
18 each other or other appropriate public agencies to carry out
19 the provisions of that act; and

20 (2) apply to any appropriate federal, state
21 or local governmental agency or private organization for
22 grants and gifts to carry out the provisions of that act or
23 to fund allied community-based health care programs.

24 B. The department or authority may, instead of a
25 loan, contract for services with an eligible entity to

1 provide free or reduced fee primary care services for sick
2 and medically indigent persons as reasonably adequate legal
3 consideration for money from the fund to the entity so it may
4 acquire or construct a capital project to provide the
5 services.

6 C. The department and authority may:

7 (1) make and enter into contracts and
8 agreements necessary to carry out their powers and duties
9 pursuant to the provisions of the Primary Care Capital
10 Funding Act; and

11 (2) do all things necessary or appropriate
12 to carry out the provisions of the Primary Care Capital
13 Funding Act.

14 D. The authority is responsible for all financial
15 duties of the programs, including:

16 (1) administering the fund;
17 (2) accounting for all money received,
18 controlled or disbursed for capital projects in accordance
19 with the provisions of the Primary Care Capital Funding Act;

20 (3) evaluating and approving loans and
21 contracts for services, including determining financial
22 capacity of an eligible entity;

23 (4) enforcing contract provisions of loans
24 and contracts for services, including the ability to sue to
25 recover money or property owed the state;

1 (5) determining interest rates and other
2 financial aspects of a loan and relevant terms of a contract
3 for services; and

4 (6) performing other duties in accordance
5 with the provisions of the Primary Care Capital Funding Act,
6 regulations promulgated pursuant to that act or joint powers
7 agreements entered into with the department.

8 E. The department is responsible for the following
9 duties:

10 (1) defining sick and medically indigent
11 persons for purposes of the Primary Care Capital Funding Act;

12 (2) establishing priorities for loans and
13 contracts for services;

14 (3) determining the appropriateness of the
15 capital project;

16 (4) evaluating the capability of an
17 applicant to provide and maintain primary care or hospice
18 services;

19 (5) selecting recipients of loans and
20 persons with whom to contract for services;

21 (6) determining that capital projects comply
22 with all state and federal licensing and procurement
23 requirements; and

24 (7) contracting with an eligible entity to
25 provide primary care services without charge or at a reduced

1 fee for sick and medically indigent persons as defined by the
2 department.

3 F. The authority may make a loan to an eligible
4 entity to acquire, construct, renovate or otherwise improve a
5 capital project, provided there is a finding:

6 (1) by the department that the project will
7 provide primary care services to sick and medically indigent
8 persons as defined by the department; and

9 (2) by the authority that there is adequate
10 protection, including loan guarantees, real property liens,
11 title insurance, security interests in or pledges of accounts
12 and other assets, loan covenants and warranties or
13 restrictions on other encumbrances and pledges for the state
14 funds extended for the loan.

15 G. The authority may make a loan to a school-based
16 health center that operates in a public school district or to
17 a telehealth site for a capital project; provided, however,
18 that the loan shall not exceed the amount in the account
19 reserved for school-based health center or telehealth site
20 funding." _____

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